
A BILL FOR AN ACT

RELATING TO ENERGY EFFICIENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the high cost of
2 living in Hawaii adds to the importance of adopting policies
3 that promote and encourage energy efficiency, which can provide
4 relief for families and businesses faced with high utility
5 bills. Without state appliance efficiency standards to provide
6 consumer protection, appliance manufacturers may unload less
7 efficient appliances in Hawaii that they cannot sell in other
8 states with heightened standards and as a result, Hawaii
9 residents risk losing as much as \$1,000,000,000 in unnecessary
10 energy waste due to inefficient appliances. Multiple states,
11 including California, Colorado, Connecticut, Oregon, Rhode
12 Island, Vermont, and Washington, have adopted state appliance
13 efficiency standards.

14 The legislature further finds that new appliance efficiency
15 standards have the potential to save Hawaii families and
16 businesses billions of dollars while conserving energy and water
17 resources. According to a 2017 national study from the American



1 Council for an Energy-Efficient Economy, Hawaii has the best
2 opportunity in the nation to save money through the
3 implementation of appliance efficiency standards. The study
4 found that by adopting appliance efficiency standards, Hawaii
5 could save up to \$1,000,000,000 in electricity costs over twenty
6 years, which is the equivalent of about \$215 annually for each
7 Hawaii household. Although many appliances, such as
8 refrigerators, dishwashers, and commercial air conditioners, are
9 regulated by national appliance efficiency standards, the study
10 found that states can save billions of dollars by adopting
11 state-level appliance efficiency standards for appliances that
12 are not regulated by national standards.

13 The legislature further finds that by adopting state
14 appliance efficiency standards, the State, among other positive
15 results, can:

- 16 (1) Provide a boost to the local economy, which occurs
17 when consumers and businesses spend their economic
18 savings on other goods and services;
- 19 (2) Protect consumers against manufacturers who would
20 otherwise unload less efficient appliances that they
21 cannot sell in states with heightened standards;



1 (3) Ensure that Hawaii residents do not miss out on
2 potential savings while progress on standards at the
3 national level is uncertain;

4 (4) Improve electric system reliability and potentially
5 reduce the need for new energy and water
6 infrastructures based on the resulting energy and
7 water savings;

8 (5) Lower electricity bills for residents and businesses;
9 and

10 (6) Reduce air pollutants and greenhouse gas emissions,
11 which can result in public health benefits and help
12 the State meet its clean energy and climate change
13 mitigation targets.

14 Furthermore, the legislature finds that the cost of most
15 appliances specifically listed in this Act are equal to the cost
16 of non-compliant appliances, or available at a minimal cost
17 premium.

18 The legislature recognizes the state of California as a
19 leader in establishing state-level appliance efficiency
20 standards that protect consumers and finds that the California



1 appliance efficiency standards should be used as a model for
2 Hawaii's standards.

3 The purpose of this Act is to require the department of
4 business, economic development, and tourism to adopt minimum
5 appliance efficiency standards for certain products sold or
6 installed in the State.

7 SECTION 2. Chapter 196, Hawaii Revised Statutes, is
8 amended by adding a new part to be appropriately designated and
9 to read as follows:

10 "PART . APPLIANCE EFFICIENCY STANDARDS

11 §196-A Purpose. The purpose of this part is to direct the
12 department of business, economic development, and tourism to
13 adopt minimum appliance efficiency standards for certain
14 products sold or installed in the State consistent with existing
15 appliance efficiency standards established in California.

16 §196-B Rules. (a) By January 1, 2021, the department of
17 business, economic development, and tourism shall adopt rules
18 pursuant to chapter 91 to effectuate the purposes of this part;
19 provided that any rules adopted shall be substantially
20 equivalent to the existing appliance efficiency standards
21 established in California; provided further that any



1 determination by the department of business, economic
2 development, and tourism in setting minimum efficiency standards
3 shall be based upon a determination that:

4 (1) Increased efficiency standards would serve to promote
5 energy or water conservation in the State; and

6 (2) The standard would be cost effective for consumers who
7 purchase and use those new products.

8 (b) The department of business, economic development, and
9 tourism may adopt by rule a more recent version of any
10 efficiency standard to maintain or improve consistency with the
11 appliance efficiency standards established in California;
12 provided that:

13 (1) The resulting efficiency is equal to or greater than
14 the efficiency achieved using the prior standard; and

15 (2) There is a one-year delay between the adoption of a
16 rule and the enforcement of any new efficiency
17 standard.

18 **§196-C Scope.** (a) The department of business, economic
19 development, and tourism shall adopt appliance energy efficiency
20 standards for:

21 (1) Computers and monitors;



(2) Faucets;

(3) High color rendering index fluorescent lamps;

(4) Showerheads; and

(5) Spray sprinkler bodies;

provided that the department of business, economic development, and tourism shall not adopt any standard that is preempted by federal law.

(b) This part shall apply to the sale, lease, or rent and the offering for sale, lease, or rent of appliances and devices identified in subsection (a).

(c) This part shall not apply to:

(1) New products manufactured in the State and sold outside the State;

(2) New products manufactured outside the State and sold at wholesale inside the State for final retail sale and installation outside the State;

(3) Products installed in mobile manufactured homes at the time of construction; or

(4) Products designed expressly for installation and use in recreational vehicles.



(d) If any standard adopted pursuant to this part is subsequently preempted by federal law, all other state appliance efficiency standards not preempted shall remain in effect.

§196-D Implementation. (a) On or after January 1, 2021, no new computer, computer monitor, faucet, high color rendering index fluorescent lamp, showerhead, or spray sprinkler body shall be sold, leased, or rented, or offered for sale, lease, or rent in the State unless the efficiency of the new product meets or exceeds the efficiency standards provided in rules adopted pursuant to this part.

(b) On or after January 1, 2022, no products shall be installed for compensation in the State unless the efficiency of the new products meets or exceeds the efficiency standards provided in rules adopted pursuant to this part."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the



1 invalid provision or application, and to this end the provisions
2 of this Act are severable.

3 SECTION 5. In codifying the new sections added by section
4 2 of this Act, the revisor of statutes shall substitute
5 appropriate section numbers for the letters used in designating
6 the new sections in this Act.

7 SECTION 6. This Act shall take effect on July 1, 2019.



Report Title:

Appliance Efficiency Standards; Energy Efficiency; Rules

Description:

Requires the department of business, economic development, and tourism to adopt minimum appliance efficiency standards for certain products sold or installed in the State that are substantially equivalent to existing appliance efficiency standards established in California. (SD2)

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